

MINUTES OF REGULAR MEETING
SUGAR CITY COUNCIL
THURSDAY, JUNE 14, 2018

Presiding: Mayor David D. Ogden
Meeting Convened at 6:30 p.m.
Prayer: Mayor Dave Ogden
Pledge of Allegiance

Present: Mayor David D. Ogden; Clerk-Treasurer Wendy McLaughlin; Councilors Brent Barrus, Vaun Waddell, Joy M. Ball, and Bruce King; City Public Works Director Arlynn Jacobson; Planning and Zoning Chairman Dave Thompson; Design Review Chairman Paul Jeppson; City Attorney Assistant Dylan Anderson; City Building Inspector Cliff Morris; Forsgren Associates Project Manager Randy Johnson; PSI Waste Systems Officials Mike Doyle, Jeremy Harris, and Stephen Pinchard; and Citizens Bruce Arnell, Joseph Cook, Kevin Cook, Logan Cook, Bert McLaughlin, Daren Wheeler, and Adam Young.

Mayor Ogden welcomed everyone to the council meeting including a few scouts who are working on their Communications merit badge.

MINUTES – MAY 10, 2018: Mayor Ogden asked if there were any corrections to the minutes of the regular meeting held on Thursday May 10, 2018. Each councilman had a draft of the minutes prior to the meeting. It was moved by Councilman Waddell and seconded by Councilwoman Ball to accept the minutes after making two deletions from the draft; motion carried.

The mayor cautioned the council citing a previous meeting that just because they have the majority vote doesn't mean it is what actually happened. Councilman Waddell remarked that his motion to approve the minutes included striking the two items noted because they did not actually happen. (see Councilman Barrus' written comments – Attachment #1)

MINUTES – MAY 25, 2018: Mayor Ogden asked if there were any corrections to the minutes of the regular meeting held on Thursday May 25, 2018. Each councilman had a copy of the minutes prior to the meeting. It was moved by Councilman Barrus and seconded by Councilman Waddell to accept the minutes; motion carried.

PSI WASTE SYSTEMS: Officials from PSI Waste Systems thanked the council and city for the opportunity to serve Sugar City for the past 10 plus years. They hoped to continue their service and renew their contract with the city, which is up in August. The mayor and Public Works Director Arlynn Jacobson visited other local waste system vendors to see what other vendors have to offer. The council agrees that the city should request proposals for the waste service in order to keep costs down for the best service. PSI is planning on submitting a proposal.

RECONCILIATION REPORTS: Wendy presented the May reconciliation reports for the General Fund. It was moved by Councilwoman Ball and seconded by Councilman King to accept the May reconciliation reports for the General Fund; motion carried. Wendy presented the May reconciliation reports for the Utility Fund. It was moved by Councilman Barrus and

seconded by Councilman Waddell to accept the May reconciliation reports for the Utility Fund; motion carried.

Wendy presented the current bills in the amount of \$195,680.02. It was moved by Councilman Barrus and seconded by Councilman Waddell to pay the current bills, together with all regular June bills; motion carried.

Mayor Ogden noted that the city has spent \$100,000 of the \$200,000 for its share on the new tank and well and will open the budget to show the additional expense and well as other expenses and revenue at the time of the budget hearing in August.

Councilman Barrus noted that because of the added expenses to the city for the lawsuit, and that the city has been asked to pay lawyer fees for both councilmen King and Waddell and the Citizens for the Rule of Law that perhaps it would be appropriate to donate their salary back to the city. Councilman Barrus said he would be willing to donate his salary. Councilwoman Ball said she is already donating her salary to the Historical Preservation fund.

PLANNING AND ZONING COMMISSION REPORT: Dave Thompson reported on the following items.

New Commissioner: Tyler Hoopes was welcomed and sworn in as the newest commissioner.

Walk Path Meeting Report: Mr. Thompson asked the council for suggestions of names to man a Walk Path committee. Preferably these people would already have an interest in trails and walk paths. Two names were recommended. Thompson and Jacobson attended a pedestrian oriented meeting in Boise with professionals where they learned:

- Wide roads are a good way to implement bike paths, etc.
- Drivers go faster on wider roads no matter what the posted limit is
- Wider roads are much more expensive to maintain
- Intersections are not the ideal place for pedestrian crossings
- Sidewalks should be straight and avoid bends and curves for those who are disabled
- Lights should be placed before and after a pedestrian crossing for enhanced illumination
- Grants are available to help with costs using “safe routes to school”

Design Review Revision Recommendations: See below.

Proposed Amendments to Planning and Zoning: No report.

Impact Area Expansion Report: Residents in the proposed expanded impact area in Salem do not want to be a part of any municipality. But if they had to choose between Rexburg’s or Sugar City’s impact area they would choose Sugar City and have signed a petition that indicates their position.

Proposed Land Use Schedule, Map, & Definitions: The commission is still working on the schedule and hopes to bring it to the council soon.

NEW TANK BID: The council awarded the contract for the construction of the new water tank to DN Tanks, Inc. Dome Technologies was the apparent low bidder until a mathematical error was discovered. Forsgren Associates recommended the error be resolved by following procedure in favor of unit price and award the contract to DN Tanks Inc. There is a possibility of a protest from Dome Technologies; however, the city attorney and the Idaho Department of Environmental Quality agree with Forsgren Associates and feel their position is sound.

RESOLUTION NO. 2018-8 (Award the New Tank Contract to DN Tanks) – Resolution No. 2018-8 was read by title only by Councilman Barrus.

MOTION: It was moved by Councilman Barrus and seconded by Councilwoman Ball to approve Resolution No. 2018-8. Thereupon the clerk called roll upon the motion.

Those voting aye: Councilors Barrus, Waddell, Ball, and King

Those voting nay: None

Thereupon, the mayor declared the motion to have been duly passed by not less than two-thirds of the council. A copy of said resolution is attached hereto marked "Attachment #2."

DESIGN REVIEW REVISIONS: Councilman Waddell and Mayor Ogden gave a brief history of the purpose and reason the board was organized. Councilman Waddell wrote the ordinance with the idea its purpose was aesthetic. He also noted that the Design Review Board has included in its work consideration of engineering and construction, for which the ordinance includes no standards.

Mayor Ogden said he reorganized the board after his election to office to enforce the city code and protect its standards. He cited a couple of different situations where the city had suffered code violations because of poor oversight and direction, which may have been prevented. He then read in the code where they can go beyond just the aesthetics.

The Design Review Board reviewed Councilman Waddell's suggested revisions with Planning and Zoning and both bodies recommend that Design Review:

- Remain separate from Planning and Zoning
- Review more than just aesthetics
- Continue with professional city officials as part of the board
- Adapt the city code to clarify the application process
- Create a workable flow chart to expedite the application process yet protect the city

Discussion was tabled for further review and work. Mayor Dave Ogden, Public Works Director Arlynn Jacobson, and Building Inspector Cliff Morris will work with Planning and Zoning Chairman Dave Thompson and Design Review Chairman Paul Jeppson to come up with a flow chart to present to the city council. Councilman Waddell said a first step would be to determine what is the mission of the Design Review Board.

PLANNING AND ZONING REVISIONS: No report

NEW WATER RATES: The city will raise base fees from \$34 to \$45 as the new Equivalent Residential User (ERU) rate and user fees from 0.90 cents per thousand gallons to 0.95 cents per thousand gallons starting October 1, 2018.

The mayor reviewed with the council the need to raise the water base fees along with the user fees as recommended by Forsgren Associates in order to service the bond voted in last November, fund maintenance costs, and meet capital improvement needs. The resolution is timely for budget purposes. The mayor also noted that he is working on a couple of contracts that would extend help to residents who struggle with fixed incomes and rising costs.

The mayor will include information in the next news letter to the residents explaining the increased water rates as well as the possible help programs for those who need them.

RESOLUTION NO. 2018-9 (Water Base and User Rates Increase) – Resolution No. 2018-9 was read in full by Councilman Barrus.

MOTION: It was moved by Councilman Barrus and seconded by Councilwoman Ball to approve Resolution No. 2018-9. Motion carried. A copy of said resolution is attached hereto marked "Attachment #3."

MAYOR'S REPORTS: The mayor reported on the following items:

Showcase Sewer Project: The sewer line that Showcase hooked into is not draining properly because of a bow in the line under Highway 33. Although the line passed inspection last fall, the problem did not become apparent until after Showcase Interiors hooked on. It will cost the city about \$25,000 to fix the problem similar to the Salt Lake Express sewer line. Public Works Director Arlynn Jacobson fears that a third intersecting sewer line could have a similar problem since they were constructed about the same time.

Budget Dates and Budget Reopening: It is scheduled that the council will review the proposed budget in July and adopt a tentative budget the first meeting in August, with a public hearing and budget reopening August 23.

Sugar Days Celebration: The mayor met with the Tree and Beautification Committee along with Councilwoman Ball, who reported that the committee is happy to help with the second annual Sugar Days Celebration. The event will take place in conjunction with the Pioneer Day Celebration. Local Sugar City and Rexburg businesses will be given an opportunity to sponsor the event in return for advertising and recognition. Vendors are encouraged to participate. So far the response has been very positive.

The committee also plans on recognizing beautiful lawns and gardens each month with awards and signage. William Schofield, Ryan & Debbie Virgin, Mary Lou Wilding, and Bob and Tammy Roberts have been given the June yard awards. Garden awards will be given next month when more gardens are up and growing.

Madison Economic Partners Inc (MEPI): MEPI will reorganize to a 501(C)3, with a new mission to help fledgling small businesses grow from conception on. They will work to create a culture of entrepreneurship through workshops. The city has been asked to donate \$5,000 to the program, but the mayor would like to see how it will benefit Sugar City first.

Historical Preservation Commission Organization: The mayor will finish interviewing prospective commission members in the next couple of days. Harold Harris has again affirmed that he is willing to donate the old Sugar City Theatre for a museum. There is grant money available to help restore historical buildings and organize museums. Councilwoman Ball is donating all her council salary to the program.

DEPARTMENT REPORTS:

COUNCILMAN BARRUS: No report

COUNCILMAN WADDELL:

Teton Dam Marathon: The marathon was a success. The volunteers helped and everything went well. The city needs a new banner for the event since the old banner is outdated.

Community Breakfast: Councilman Waddell asked for any suggestions on the breakfast menu. He asked if the recent time change from 6:30 to 7:00 a.m. is appropriate to continue. The consensus was in favor of 7:00. Mayor Ogden said Stone's Town and Country raised the issue of possibly increasing their donation. Councilman Waddell asked Mayor Ogden to continue that part of the discussion with Stone's Town and Country.

COUNCILWOMAN BALL: See report above.

COUNCILMAN KING: No report.

Meeting adjourned at 9:45 p.m.

Signed: _____
David D. Ogden, Mayor

Attested: _____
Wendy McLaughlin, Clerk-Treasurer

Minutes of Regular Meeting

Sugar City Council

Thursday, June 14, 2018

Since I will be unable to attend our City Council Meeting this Thursday, June 28, I am adding my comments on the above noted City Council meeting.

Since Vaun is a petitioner on Judicial Review case No. CV2017-652 and has an economic interest in the outcome of the Lawsuit and was discussed in our last council meeting on June 14, it should remain in the minutes of that council meeting. You can check the recording to verify that it was discussed.

Also, that Captain Cameron Stanford had Mr. Storer sit down stepping in front of him as he tried to approach the city council from the audience (the mayor reminded Mr. Storer several times that his participation from the audience was not appropriate), it actually happened. Therefore, it should be in the minutes. Captain Stanford did file a report on the incidence with county sheriff's office, is another reason it should be left in the minutes.

Another item on the agenda "City Council members received emails with attached documents and audio files to review in order to prepare for the Old Farm Estates agenda action item" should be left in the minutes. Bruce was prepared for his "Expired Recusal Statement" and Vaun was prepared with his "Witness Statement", and I was prepared to discuss this agenda item, verifies that the information was sent out on timely basis for all councilors to prepare to discuss this item.

The last item on the minutes I wish to comment on is "NON AGENDA ITEM" – comments are from discussion on the financial reports. When talking about a "NONAGENDA ITEM" Joy read and presented a statement that she wanted to be in the minutes, a truly NONAGENDA ITEM, and it was put in the minutes in a previous city council meeting.

The statement I made concerning Vaun, Bruce, and I donating our city salary to help pay for the cost of our attorney fees, was concerning city finances which we were discussing at the time, which would be consider an agenda item under finances. It would be a nice jester for Vaun and Bruce to help pay for city attorney fees, because they are asking the taxes payers of Sugar City to pay their individual attorney fees for "Case No. CV-2108-352".

Thanks Brent

The City of Sugar City, Idaho

Resolution No.: 2018 - 8

"A Resolution to Approve the Award of Contract Between the City of Sugar City and DN Tanks, Inc., to Construct the Water Tank for the New Water Project."

WHEREAS, the Council of the City of Sugar City, Idaho desires to approve the award of contract between the City of Sugar City and DN Tanks, Inc., to construct the water tank for the new water project; and

WHEREAS, Forsgren Engineering, the engineers on the new water project, are recommending to the city council this award, based on their holding a recent bid opening, and finding that the aforementioned contractor was the apparent low bidder for the approved item.; and

WHEREAS, DN Tanks, Inc. is a licensed public works contractor, and has met all of the criteria for the bidding, and is willing to execute the contract and begin construction in the very near future; and

WHEREAS, the City of Sugar City has met all its obligations in procuring this contract;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SUGAR CITY, AS FOLLOWS:

The City Council of the City of Sugar City, Idaho hereby approves the awarding of the contract and bid to DN Tanks, Inc., to construct the new water tank as indicated in the bid documents, and authorizes the Mayor to execute said Contract and issue a notice to proceed once the contract requirements have been met.

PASSED by the Council of the City of Sugar City on this 14th day of June, 2018

APPROVED by the Mayor of the City of Sugar City on this 14th day of June, 2018.

(SEAL)

David D. Ogden,
Mayor

ATTEST:

Wendy McLaughlin,
City Clerk - Treasurer

ATTACHMENT #3

CITY OF SUGAR CITY

RESOLUTION 2018 - 9

BE IT RESOLVED by the Mayor and Sugar City Council that effective October 1, 2018, the rates for the following items for Sugar City residences and businesses shall be as follows:

A. WATER

1. The base rate for water will increase to \$45.00 per month.
2. Usage rate will increase to \$0.95 per one thousand gallons of water used.

UNANIMOUSLY APPROVED AND PASSED BY THE CITY COUNCIL AND MAYOR THIS
14th DAY OF JUNE 2018.

David D. Ogden, Mayor

ATTEST:

Wendy McLaughlin, City Clerk-Treasurer

(SEAL)

City of Sugar City	DEQ (1.5%) and ACoE
Funding Scenario	
1-Feb-18	
Transmission Cost	\$ 1,200,000
Well Cost	\$ 1,000,000
Storage Tank Cost	\$ 1,300,000
Engineering	\$ 537,000
Administration (\$79k), bonding/ legal/ audit (\$18k), and interest on interim financing (\$55k)	\$ 152,000
Total Project Cost	\$ 4,189,000
Additional Funds Needed	\$ 489,000
ACoE Grant	\$ -
Sugar City/DEQ Loan Amount	\$ 3,700,000
Total Funds Needed	\$ 4,189,000
Term (years)	20
Interest Rate	1.500%
Semi-Annual Payment	\$ 107,754.61
No. of Current EDU's	621
Monthly Debt Payment/EDU-Month	\$ 28.92
Reserve per Month, 40% includes 10% debt reserve and 30% capital improvement	\$ 11.57
Existing Debt per EDU for 7 years	\$ 3.76
Debt Payment	\$ 44.25
Annual O&M Costs	\$ 156,750.00
Average Flow/EDU-Month	\$ 21.03
Total Monthly Charge/EDU	\$ 65.28
The average annual flow for the City is 165,000,000 gallons, at \$0.95 per thousand gallon equals \$156,750 divided by number of EDU's divided by 12 months gives the Average Flow/EDU-month	